

FILED FEB 0 1957

SENATE FILE 135
BY PRIEBE

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to group insurance policies, by requiring
2 coverage of persons engaged in farming.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 135

1 Section 1. Section 509.1, subsection 1, Code 1991, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. g. The policy shall not exclude an
4 employee, or an employee's spouse or dependent from coverage
5 because the employee, spouse, or dependent is engaged in
6 farming as defined in section 172C.1. The policy shall cover
7 any injury, illness, or a death suffered by the employee,
8 spouse, or dependent during the period in which the employee,
9 spouse, or dependent is engaged in farming regardless of where
10 the injury, illness, or death occurred. However, this
11 paragraph does not require payment under the policy if payment
12 is made to the employee, spouse, or dependent under another
13 policy or under a workers' compensation law.

14 Sec. 2. Section 509.1, subsection 4, Code 1991, is amended
15 by adding the following new paragraph:

16 NEW PARAGRAPH. g. The policy shall not exclude an
17 employee, or an employee's spouse or dependent from coverage
18 because the employee, spouse, or dependent is engaged in
19 farming as defined in section 172C.1. The policy shall cover
20 any injury, illness, or a death suffered by the employee,
21 spouse, or dependent during the period in which the employee,
22 spouse, or dependent is engaged in farming regardless of where
23 the injury, illness, or death occurred. However, this
24 paragraph does not require payment under the policy if payment
25 is made to the employee, spouse, or dependent under another
26 policy or under a workers' compensation law.

27 Sec. 3. Section 509.1, subsection 5, Code 1991, is amended
28 by adding the following new paragraph:

29 NEW PARAGRAPH. g. The policy shall not exclude an
30 employee, or an employee's spouse or dependent from coverage
31 because the employee, spouse, or dependent is engaged in
32 farming as defined in section 172C.1. The policy shall cover
33 any injury, illness, or a death suffered by the employee,
34 spouse, or dependent during the period in which the employee,
35 spouse, or dependent is engaged in farming regardless of where

1 the injury, illness, or death occurred. However, this
2 paragraph does not require payment under the policy if payment
3 is made to the employee, spouse, or dependent under another
4 policy or under a workers' compensation law.

5 Sec. 4. Section 509.1, subsection 6, Code 1991, is amended
6 by adding the following new paragraph:

7 NEW PARAGRAPH. g. The policy shall not exclude an
8 employee, or an employee's spouse or dependent from coverage
9 because the employee, spouse, or dependent is engaged in
10 farming as defined in section 172C.1. The policy shall cover
11 any injury, illness, or a death suffered by the employee,
12 spouse, or dependent during the period in which the employee,
13 spouse, or dependent is engaged in farming regardless of where
14 the injury, illness, or death occurred. However, this
15 paragraph does not require payment under the policy if payment
16 is made to the employee, spouse, or dependent under another
17 policy or under a workers' compensation law.

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EXPLANATION

19 This bill amends chapter 509 relating to group life,
20 accident, or health insurance. The bill applies to certain
21 persons who are employers, trustees of funds, labor unions,
22 and nonprofit industrial associations. The chapter provides
23 that group policies administered by these persons may include
24 the employee's spouse and any dependents.

25 This bill provides that the policy cannot exclude an
26 employee, or an employee's spouse or dependent from coverage
27 because the employee, spouse, or dependent is engaged in
28 farming. The bill provides that the policy must cover any
29 injury, illness, or a death suffered by the employee, spouse,
30 or dependent during the period in which the employee, spouse,
31 or dependent is engaged in farming regardless of where the
32 injury, illness, or death occurred. The bill provides that
33 payment is not required under the policy if payment is made to
34 the employee, spouse, or dependent under another policy or
35 under a workers' compensation law.

**SENATE FILE 135
FISCAL NOTE**

A fiscal note for Senate File 135 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 135 amends chapter 509 relating to group life, accident, or health insurance. The bill applies to certain persons who are employers, trustees of funds, labor unions, and nonprofit industrial associations. The chapter provides that group policies administered by these persons may include the employee's spouse and any dependents. The bill provides that the policy cannot exclude an employee, or an employee's spouse, or dependent is engaged in farming. The bill provides that the policy must cover any injury, illness, or a death suffered by the employee, spouse or dependent during the period in which the employee, spouse, or dependent is engaged in farming regardless of where the injury illness, or death occurred. The bill provides that payment is not required under the policy if payment is made to the employee, spouse, or dependent under another policy or under a workers' compensation law.

Assumptions:

1. Half of Iowa State University staff would have dependents covered adding spouse/dependent coverage and university would pay premium.
2. New cost expected to be 50% of existing premium structure.

Fiscal Effect:

The fiscal effect of SF 135 would be an additional cost to Iowa State University of \$783,000 in both FY 1992 and FY 1993. The proposed legislation has the greatest impact on Iowa State University because it has the largest number of employees that would qualify for increased benefits.

Source: Regents, Iowa Department of Personnel

(LSB 1054ss, LCS)

FILED MARCH 13, 1991

BY DENNIS PROUTY, FISCAL DIRECTOR